



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

October 17, 2008

Hector Marchand
Vice President Marketing
NDC Infrared Engineering, Inc.
5314 North Irwindale Avenue
Irwindale, CA 91706

Dear Mr. Marchand:

RE: FINAL MONITORING VISIT REPORT for NDC Infrared Engineering, Inc. (NDC) – ET07-0158

Date of the Visit:	10/14/08
Beginning/Ending Time:	10:00 a.m. – 12:00 p.m.
Date of Last Visit:	12/19/07
Visit Location:	Irwindale
Persons in attendance:	Cheryl McLaughlin, NDC Dave Nagy, Bolero Associates Mark Reeves, ETP Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	10/03/06 – 10/02/08	Agreement Amount:	\$72,576
Training Start Date:	02/14/07	No. to Retain:	56
Date Training must be Completed:	07/03/08	Range of Hours:	50 - 100
Type of Trainee:	Retrainee	Weighted Ave. Hours:	72

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (04/15/05)

FINAL REPORT SUMMARY:

• HISTORY OF AGREEMENT

Training began on February 14, 2007 and project staff confirmed that all training for this Agreement was completed by May 28, 2008, which allows for the 90-day retention period to be completed within the contract term end date October 2, 2008.

• INTERVIEW WITH CONTRACT REPRESENTATIVE

Ms. McLaughlin reported that your company did not experience any significant barriers in implementing your ETP project. However, Ms. McLaughlin indicated that NDC ended its training slightly ahead of schedule because the company had to devote its primary focus on installing a new ERP system during the latter months of the contract term.

Ms. McLaughlin and Mr. Nagy stated that NDC did not experience any record keeping problems during the administration of this Agreement.

Ms. McLaughlin reported that ETP-funded training has helped strengthen the importance of teamwork and internal commitment to improvement. She added that the transfer of learning has also had a positive affect on employee morale. Project staff indicated that the program was an overall success and the company was able to achieve its primary training objectives.

Breakdown and discussion of expected earnings:

During this meeting, Mr. Reeves and Mr. Nagy determined NDC billed for six trainees who did not complete the minimum required 50 hours of class/lab training for this Agreement. Since the P2 (Completion) and P4 (Final) invoices were recently submitted for payment, Mr. Reeves alerted ETP's Fiscal Unit of the payment adjustments that need to be made prior to fiscal closeout. On October 16, 2008, Mr. Reeves notified Ms. McLaughlin and Mr. Nagy (via e-mail) that ETP's Fiscal Unit had voided NDC's recently submitted invoices, to allow project staff to resubmit for payment, excluding any trainees that did not complete the minimum required 50 hours of training.

Project staff provided Mr. Reeves with projected statistics for the closeout of this Agreement. As of the date of this meeting, your records show that 44 trainees completed training (50-hour minimum) and the 90-day retention period. The ETP Class/Lab Tracking System shows that these 44 trainees completed a cumulative total of 2,438 hours. At \$18 per training hour, your total potential reimbursement currently stands at \$43,884, or approximately 61% of the Agreement total.

To date, NDC has received \$14,256 in unearned progress payments. Mr. Nagy agreed to resubmit NDC's final closeout invoice immediately, and project staff expects final earnings to match the 61% completion rate noted above.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Enrolled:	58	Completed Training:	44
Trainees Started Training:	58	In Retention Period:	0
Dropped Following Enrollment:	0	Completed Retention:	44
Completed Minimum Hours for Reimbursement:	44		

ATTENDANCE ROSTERS:

Mr. Reeves reviewed class/lab attendance rosters for 15 trainees who completed training. The review period covered February 21, 2007 through May 21, 2008. The training documented during this period included Continuous Improvement and Management Skills topics from the approved curriculum. Mr. Reeves found that ETP requirements were met and properly documented. The review confirmed that the 1:20 trainer to trainee ratio was maintained.

These findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed. It is your responsibility to ensure that 100 percent of all training records are in compliance with Panel requirements prior to the closeout of this Agreement (Reference: Title 22, California Code of Regulations, Section 4442).

AUDIT:

NDC will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Mr. Reeves at (818) 755-3635 or by e-mail at sreeves@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Dolores Kendrick, Manager
North Hollywood Regional Office

Signature on file

S. Mark Reeves, Contract Analyst
North Hollywood Regional Office

cc: Cheryl McLaughlin, NDC (via e-mail)
Dave Nagy, Bolero Associates (via e-mail)
David Guzman, Chief, Program Operations Division
Kulbir Mayall, Manager, Fiscal and Certification
Master File
Project File

Date report mailed to Contractor 10/23/08